



General Assembly

February Session, 2022

Raised Bill No. 5226

LCO No. 1457



Referred to Committee on HUMAN SERVICES

Introduced by:
(HS)

AN ACT LIMITING STATE RECOVERY OF PUBLIC ASSISTANCE PAYMENTS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-93 of the 2022 supplement to the general
2 statutes is repealed and the following is substituted in lieu thereof
3 (*Effective July 1, 2022*):

4 (a) If a beneficiary of aid under the state supplement program,
5 medical assistance program, aid to families with dependent children
6 program, temporary family assistance program or state-administered
7 general assistance program has or acquires property of any kind or
8 interest in any property, estate or claim of any kind, except moneys
9 received for the replacement of real or personal property, the state of
10 Connecticut shall have a claim subject to subsections (b) and (c) of this
11 section, which shall have priority over all other unsecured claims and
12 unrecorded encumbrances, against such beneficiary for the amount

13 paid, subject to the provisions of section 17b-94, as amended by this act,
 14 to the beneficiary or on the beneficiary's behalf under said programs but
 15 only to the extent that the state is required to recover such amount under
 16 federal law. [; and, in] In addition thereto, the parents of an aid to
 17 dependent children beneficiary, a state-administered general assistance
 18 beneficiary or a temporary family assistance beneficiary shall be liable
 19 to repay, subject to the provisions of section 17b-94, as amended by this
 20 act, to the state the full amount of any such aid paid to or on behalf of
 21 either parent, his or her spouse, and his or her dependent child or
 22 children, as defined in section 17b-75, but only to the extent that the state
 23 is required to recover such amount under federal law. The state of
 24 Connecticut shall have a lien against property of any kind or interest in
 25 any property, estate or claim of any kind of the parents of an aid to
 26 dependent children, temporary family assistance or state administered
 27 general assistance beneficiary, in addition and not in substitution of any
 28 other state claim, for amounts owing under any order for support of any
 29 court or any family support magistrate, including any arrearage under
 30 such order, provided household goods and other personal property
 31 identified in section 52-352b, real property pursuant to section 17b-79,
 32 as long as such property is used as a home for the beneficiary and money
 33 received for the replacement of real or personal property, shall be
 34 exempt from such lien.

35 (b) Any person who received cash benefits under the aid to families
 36 with dependent children program, the temporary family assistance
 37 program or the state-administered general assistance program, when
 38 such person was under eighteen years of age, shall not be liable to repay
 39 the state for such assistance.

40 (c) No claim, except a claim required to be made under federal law,
 41 shall be made, or lien applied, against any payment made pursuant to
 42 chapter 135, any payment made pursuant to section 47-88d or 47-287,
 43 any moneys received as a settlement or award in a housing or
 44 employment or public accommodation discrimination case or in any
 45 action brought by a tenant or occupant or former tenant or occupant
 46 against an owner or lessor of a residential premises or manufactured

47 mobile home park, any court-ordered retroactive rent abatement,
48 including any made pursuant to subsection (e) of section 47a-14h or
49 section 47a-4a, 47a-5 or 47a-57, or any security deposit refund pursuant
50 to subsection (d) of section 47a-21 paid to a beneficiary of assistance
51 under the state supplement program, medical assistance program, aid
52 to families with dependent children program, temporary family
53 assistance program or state-administered general assistance program or
54 paid to any person who has been supported wholly, or in part, by the
55 state, in accordance with section 17b-223, in a humane institution.

56 (d) Notwithstanding any provision of the general statutes, whenever
57 funds are collected pursuant to this section or section 17b-94, as
58 amended by this act, and the person who otherwise would have been
59 entitled to such funds is subject to a court-ordered current or arrearage
60 child support payment obligation in a IV-D support case, such funds
61 shall first be paid to the state for reimbursement of Medicaid funds
62 granted to such person for medical expenses incurred for injuries related
63 to a legal claim by such person which was the subject of the state's lien
64 and such funds shall then be paid to the Office of Child Support Services
65 for distribution pursuant to the federally mandated child support
66 distribution system implemented pursuant to subsection (j) of section
67 17b-179. The remainder, if any, shall be paid to the state for payment of
68 previously provided assistance through the state supplement program,
69 medical assistance program, aid to families with dependent children
70 program, temporary family assistance program or state-administered
71 general assistance program but only to the extent that the state is
72 required to recover such assistance under federal law.

73 (e) The Commissioner of Social Services shall adopt regulations, in
74 accordance with chapter 54, establishing criteria and procedures for
75 adjustment of the claim of the state of Connecticut under subsection (a)
76 of this section. The purpose of any such adjustment shall be to
77 encourage the positive involvement of noncustodial parents in the lives
78 of their children and to encourage noncustodial parents to begin making
79 regular support payments.

80 (f) On and after July 1, [2021] 2022, the state shall not recover cash
 81 assistance or medical assistance from a lien filed on any real property,
 82 or a claim filed against property, a property interest or estate or claim of
 83 any kind, unless the state is required to recover such assistance under
 84 federal law or the provisions of this section. Any lien on real property
 85 or state claim against property, a property interest or estate or claim of
 86 any kind filed under this section by or on behalf of the state prior to July
 87 1, [2021] 2022, shall be deemed released by the state if the recovery of
 88 such assistance is not required under federal law or the provisions of
 89 this section. As used in this subsection, "cash assistance" means
 90 payments made to a beneficiary of the aid to families with dependent
 91 children program, the state-administered general assistance program,
 92 the state supplement program or the temporary family assistance
 93 program.

94 Sec. 2. Section 17b-94 of the 2022 supplement to the general statutes
 95 is repealed and the following is substituted in lieu thereof (*Effective July*
 96 *1, 2022*):

97 (a) In the case of causes of action of beneficiaries of aid under the state
 98 supplement program, medical assistance program, aid to families with
 99 dependent children program, temporary family assistance program or
 100 state-administered general assistance program, subject to subsections
 101 (b) and (c) of section 17b-93, as amended by this act, or of a parent liable
 102 to repay the state under the provisions of section 17b-93, as amended by
 103 this act, the claim of the state shall be a lien against the proceeds
 104 therefrom in the amount of the assistance paid but only to the extent that
 105 the state is required to recover such assistance under federal law, or, in
 106 the case of a parent subject to any order for support of any court or any
 107 family support magistrate, including any arrearage under such order,
 108 liable to repay the state under the provisions of section 17b-93, as
 109 amended by this act, whose proceeds from the cause of action are not
 110 subject to recovery under federal law, fifty per cent of the proceeds
 111 received by such parent or the amount owed by such parent after
 112 payment of all expenses connected with the cause of action, whichever
 113 is less, for repayment under section 17b-93, as amended by this act, and

114 shall have priority over all other claims except attorney's fees for said
 115 causes, expenses of suit, costs of hospitalization connected with the
 116 cause of action by whomever paid over and above hospital insurance or
 117 other such benefits, and, for such period of hospitalization as was not
 118 paid for by the state, physicians' fees for services during any such period
 119 as are connected with the cause of action over and above medical
 120 insurance or other such benefits. The proceeds of such causes of action
 121 shall be assignable to the state for payment of the amount due under
 122 this section and section 17b-93, as amended by this act, irrespective of
 123 any other provision of law. Upon presentation to the attorney for the
 124 beneficiary of an assignment of such proceeds executed by the
 125 beneficiary or his conservator or guardian, such assignment shall
 126 constitute an irrevocable direction to the attorney to pay the
 127 Commissioner of Administrative Services in accordance with its terms,
 128 except if, after settlement of the cause of action or judgment thereon, the
 129 Commissioner of Administrative Services does not inform the attorney
 130 for the beneficiary of the amount of lien which is to be paid to the
 131 Commissioner of Administrative Services within forty-five days of
 132 receipt of the written request of such attorney for such information, such
 133 attorney may distribute such proceeds to such beneficiary and shall not
 134 be liable for any loss the state may sustain thereby.

135 (b) In the case of an inheritance of an estate by a beneficiary of aid
 136 under the state supplement program, medical assistance program, aid
 137 to families with dependent children program, temporary family
 138 assistance program or state-administered general assistance program,
 139 subject to subsections (b) and (c) of section 17b-93, as amended by this
 140 act, or [by a parent] by the parent of such beneficiary, liable to repay the
 141 state under the provisions of section 17b-93, as amended by this act, the
 142 amount of such assets equal to the amount of assistance paid but only
 143 to the extent that the state is required to recover such amount under
 144 federal law, or in the case of a parent subject to any order for support of
 145 any court or any family support magistrate, including any arrearage
 146 under such order, and liable to repay the state under the provisions of
 147 section 17b-93, as amended by this act, whose inheritance is not subject

148 to recovery under federal law, fifty per cent of the assets of the estate
 149 payable to such parent, or the amount owed by such parent, whichever
 150 is less, shall be assignable to the state for payment of the amount due
 151 under section 17b-93, as amended by this act. The state shall have a lien
 152 against such assets in the applicable amount specified in this subsection.
 153 The Court of Probate shall accept any such assignment executed by the
 154 beneficiary or parent or any such lien notice if such assignment or lien
 155 notice is filed by the Commissioner of Administrative Services with the
 156 court prior to the distribution of such inheritance, and to the extent of
 157 such inheritance not already distributed, the court shall order
 158 distribution in accordance with such assignment or lien notice. If the
 159 Commissioner of Administrative Services receives any assets of an
 160 estate pursuant to any such assignment, the commissioner shall be
 161 subject to the same duties and liabilities concerning such assigned assets
 162 as the beneficiary or parent.

163 (c) On and after July 1, [2021] 2022, the state shall not recover cash
 164 assistance or medical assistance from a claim filed on any property,
 165 property interest, proceeds from a cause of action or estate, unless the
 166 state is required to recover such assistance under federal law or the
 167 provisions of section 17b-93, as amended by this act. Any claim filed
 168 under this section by or on behalf of the state on such property, property
 169 interest, proceeds from a cause of action or estate prior to July 1, [2021]
 170 2022, shall be released by the state if the recovery of such assistance is
 171 not required under federal law or the provisions of section 17b-93, as
 172 amended by this act. As used in this subsection, "cash assistance" means
 173 payments made to a beneficiary of the aid to families with dependent
 174 children program, the state-administered general assistance program,
 175 the state supplement program or the temporary family assistance
 176 program.

177 Sec. 3. Section 17b-95 of the 2022 supplement to the general statutes
 178 is repealed and the following is substituted in lieu thereof (*Effective July*
 179 *1, 2022*):

180 (a) Subject to the provisions of subsection (b) of this section, upon the

181 death of a parent of a child who has, at any time, been a beneficiary
 182 under the program of aid to families with dependent children, the
 183 temporary family assistance program or the state-administered general
 184 assistance program, or upon the death of any person who has at any
 185 time been a beneficiary of aid under the state supplement program,
 186 medical assistance program, aid to families with dependent children
 187 program, temporary family assistance program or state-administered
 188 general assistance program, except as provided in subsection (b) of
 189 section 17b-93, as amended by this act, the state shall have a claim
 190 against such parent's or person's estate for all amounts paid on behalf of
 191 each such child but only to the extent that the state is required to recover
 192 such amounts under federal law, or the provisions of section 17b-93, as
 193 amended by this act, or for the support of either parent or such child or
 194 such person under the state supplement program, medical assistance
 195 program, aid to families with dependent children program, temporary
 196 family assistance program or state-administered general assistance
 197 program for which the state has not been reimbursed and that the state
 198 is required to recover under federal law or the provisions of section 17b-
 199 93, as amended by this act, to the extent that the amount which the
 200 surviving spouse, parent or dependent children of the decedent would
 201 otherwise take from such estate is not needed for their support.
 202 Notwithstanding the provisions of this subsection, effective for services
 203 provided on or after January 1, 2014, no state claim pursuant to this
 204 section shall be made against the estate of a recipient of medical
 205 assistance under the Medicaid Coverage for the Lowest Income
 206 Populations program, established pursuant to Section
 207 1902(a)(10)(A)(i)(VIII) of the Social Security Act, as amended from time
 208 to time, except to the extent required by federal law.

209 (b) In the case of any person dying after October 1, 1959, the claim for
 210 medical payments, even though such payments were made prior
 211 thereto, shall be restricted to medical disbursements actually made for
 212 care of such deceased beneficiary.

213 (c) Claims pursuant to this section shall have priority over all
 214 unsecured claims against such estate, except (1) expenses of last sickness

215 not to exceed three hundred seventy-five dollars, (2) funeral and burial
 216 expenses in accordance with sections 17b-84 and 17b-131, and (3)
 217 administrative expenses, including probate fees and taxes, and
 218 including fiduciary fees not exceeding the following commissions on the
 219 value of the whole estates accounted for by such fiduciaries: On the first
 220 two thousand dollars or portion thereof, five per cent; on the next eight
 221 thousand dollars or portion thereof, four per cent; on the excess over ten
 222 thousand dollars, three per cent. Upon petition by any fiduciary, the
 223 Probate Court, after a hearing thereon, may authorize compensation in
 224 excess of the above schedule for extraordinary services. Notice of any
 225 such petition and hearing shall be given to the Commissioner of
 226 Administrative Services in Hartford at least ten days in advance of such
 227 hearing. The allowable funeral and burial payment herein shall be
 228 reduced by the amount of any prepaid funeral arrangement. Any
 229 amount paid from the estate under this section to any person which
 230 exceeds the limits provided herein shall be repaid to the estate by such
 231 person, and such amount may be recovered in a civil action with interest
 232 at six per cent from the date of demand.

233 (d) For purposes of this section, all sums due on or after July 1, 2003,
 234 to any individual after the death of a public assistance beneficiary
 235 pursuant to the terms of an annuity contract purchased at any time with
 236 assets of a public assistance beneficiary, shall be deemed to be part of
 237 the estate of the deceased beneficiary and shall be payable to the state
 238 by the recipient of such annuity payments to the extent necessary to
 239 achieve full reimbursement of any public assistance benefits paid to, or
 240 on behalf of, the deceased beneficiary but only to the extent that the state
 241 is required to recover such benefits under federal law or for support
 242 payments due from parents under the provisions of section 17b-93, as
 243 amended by this act, irrespective of any provision of law. The recipient
 244 of beneficiary payments from any such annuity contract shall be solely
 245 liable to the state of Connecticut for reimbursement of public assistance
 246 benefits paid to, or on behalf of, the deceased beneficiary but only to the
 247 extent that the state is required to recover such benefits under federal
 248 law or for support payments due from parents under the provisions of

249 section 17b-93, as amended by this act, to the extent of any payments
250 received by such recipient pursuant to the annuity contract.

251 (e) On and after July 1, [2021] 2022, the state shall not recover cash
252 assistance or medical assistance from a claim filed on any property,
253 property interest, proceeds from a cause of action or estate, unless the
254 state is required to recover such assistance under federal law or the
255 provisions of section 17b-93, as amended by this act. Any claim filed
256 under this section by or on behalf of the state on such property, property
257 interest, proceeds from a cause of action or estate prior to July 1, [2021]
258 2022, shall be released by the state if the recovery of such assistance is
259 not required under federal law or the provisions of section 17b-93, as
260 amended by this act. As used in this subsection, "cash assistance" means
261 payments made to a beneficiary of the aid to families with dependent
262 children program, the state-administered general assistance program,
263 the state supplement program or the temporary family assistance
264 program.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>July 1, 2022</i>	17b-93
Sec. 2	<i>July 1, 2022</i>	17b-94
Sec. 3	<i>July 1, 2022</i>	17b-95

Statement of Purpose:

To limit recovery of public assistance payments by the state except as required under federal law or a court-ordered support payment.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]